Approved For Release 2001/09/05 CM PDP81B00878R00+300050203-3 CM PDP81B00878R00+300050203-3

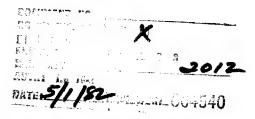
DPS-6014 Copy 3 of 4 5 December 1958

Hycon Mfg. Company Pasadena, Galifornia

Subject: Contract No. BC-450

Gentlement

25X1A



We have received the results of the field audit under the subject contract.

For Customer No. 1 for the period 1 July 1956 to 31 January 1957 the following direct charges are considered unallowable.

Conference expenses, billed on Invoice PR-12102

\$27.37

Conference expenses, billed on Involce PE-15107

Listed below is a recap of funds and expenses for Customer No. 1 for the period 1 July 1956 to 30 June 1957.

Allocated amount

\$304,000.00

1st period - 1 Jul 56 - 31 Jan 57 Paid

\$182,998.93 Less Disallowance

83.02

Net approved amount

\$182,915,91

2nd period - 1 Feb 57 - 30 Jun 57 Total approved Final Claim Total amount to be Liquidated

108.358.2

Also listed below is a recap for Customer No. 2 for the period 1 July 1956 to 30 June 1957.

Allocated amount:

\$66,000.00

1st period - 1 Jul 56 - 31 Jan 57 \$ 8,060.44 2nd period - 1 Feb 57 - 30 Jun 57

Total approved Final Claim Total amount to be Liquidated 42.838.22

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In the five month period ending 30 June 1958 it is noted that incurred \$1,766.81 of travel expense, including applicable CAA. Of this amount \$80.47 has been disallowed and upon re-examination a further amount of \$66.34 is considered unallowable which leaves a balance of \$1,620.00. Individuals in other companies who perform functions similar to those of have not incurred travel expenses of this magnitude and still are rendering satisfactory services in connection with the spares program. It is requested that future travel of be held to a minimum.

The \$66.34 is made up of the following:

Invoice PE-15306 for car rental at \$69.08 indicating 526 miles. Since was housed on the base 296 miles or one round trip from San Antonio is allowed.

\$30.22

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Invoice PM-15318 for car rental at \$89.40 indicating 539 miles. lodgings were at Del Rio. Therefore one round trip to town and three round trips of 18 miles each from town to the base was allowed or a total of 364 miles.

\$29.01

25X1A

Please furnish for our review the iteniary and purpose of travel for the balance of the claim of \$1,620.00.

Please advise if you concur with the final approved amounts for the period 1 July 1956 to 30 June 1957. If so the next smendment to the contract will reduce the allocated amounts accordingly.

Please indicate when you will complete the work being charged against the funds available through 30 June 1958.

Very truly yours.

25X1A

Distribution:

Orig - Hycon -2 - BC-450 Prop. Sec.

Contracting Officer

w/cy 1 of DPS-5371 3 - Finance w/cy 2 of DPS-4752

and cy 2 of DPS-5371

4 - Chrono, RI

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lmw (5/12/58)

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